

**Health Care District of
Palm Beach County**

School Health Program

**Evaluation and Business Plan
Final Report**

Funded by:

The Quantum Foundation

Prepared by:



April 2002



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I. BACKGROUND MATERIAL

Overview

The School Health Program, under the direction and majority funding of the Health Care District of Palm Beach County, began providing services in 1997. This popular Program¹ provides a Registered Nurse (RN) in every public school in the County. Program RNs provide a wide variety of clinical, preventive and case management services to students. Faculty are also able to access care.

Program managers recently have become concerned about the Program's continuity and sustainability given these new challenges:

1. Demands for significant additional funding due to new schools coming on line and normal Program inflation;
2. New Florida requirements that the School District build schools with smaller numbers of students; and
3. A potential shortage of Registered Nurses.

The community is fortunate to have The Quantum Foundation's involvement in this project because of its role in school health over the years. The Quantum Foundation provided initial funding to start the School Health Program and has continued its involvement to this day. That is why the Quantum Foundation graciously agreed to sponsor this important study on behalf of the Health Care District of Palm Beach County (HCD of PBC). In January of 2002, RCH Healthcare Advisors, LLP, was retained for this assignment and this final report presents the results of our cooperative efforts.

This business plan was developed under the supervision of a Steering Committee and in collaboration with a number of helpful work groups. Many interested parties participated in extensive dialogues about the Program, including:

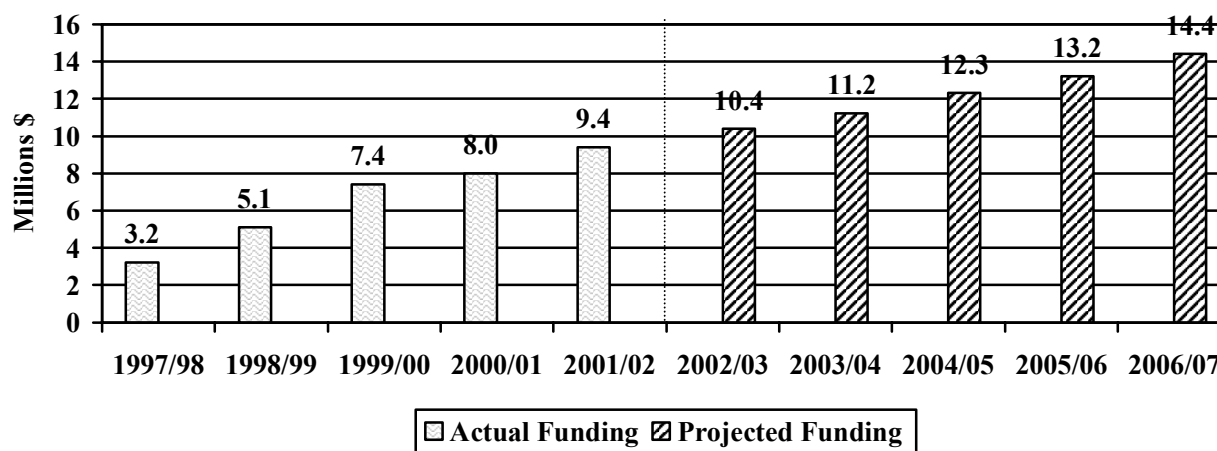
¹ When we use the terms "Program" or "School Health Program" in this report, we mean the School Health Program operated by the Health Care District of Palm Beach County.

Jean Malecki, MD	Director, Palm Beach County Health Department
Marsha Fishbane, MD	Medical Director for School Health, PBC Health Department
Dwight Chenette	CEO, Health Care District of PBC
Ron Wiewora, MD	Medical Director, HCD of PBC
Anne Hedges, RN	School Health Administrator, HCD of PBC
Thomas Lynch	Chairman, School Board, School District of PBC
Ron Armstrong	Director, Student Services, School District of PBC
Randy Palo	Director of Resource Development Initiatives, Children's Services Council
Jeanette Corbett	President and CEO, The Quantum Foundation
Tim Henderson	Vice President, The Quantum Foundation

We appreciate the hard work and dedication of all those who contributed to this project.

This study is the first comprehensive evaluation of the Program since its inception in 1997. When the Program began, its yearly funding from all sources was \$3.2 million. Annual Program total funding has since grown to \$9.4 million², due to the expansion of the Program into new schools and normal cost inflation. Based on the number of new schools coming on line, plus projected growth of salaries, benefits and other costs, to just maintain the current manner of Program operations will require \$950,000 more in school year 2003; \$1,780,000 more in 2004; \$2,830,000 more in 2005; \$3,710,000 more in 2006; and \$4,920,000 more in 2007.³ These anticipated funding requirements are illustrated in Figure 1.

Figure 1. HCD of PBC School Health Program Funding By Year⁴



Source: Adapted from Health Care District report to The Quantum Foundation.

² Ninety percent of the expenses are personnel costs (salaries and benefits).

³ The derivation of these figures is presented in Section III under the All RN Staffing/Fixed HCD Funding scenario.

⁴ 2001/02 figure includes for the first time \$700,000 in contributions from area hospitals.

Methodology

The commission of this study is forward thinking in that the stakeholders were concerned with the Program's future over the next six years. The study methodology was designed to learn how the Program's model could improve within its current maturation process, and to consider the Program's operational and clinical integrity as it seeks to address budgetary challenges.

The methodology included consideration of quality, efficiency, scope of services, outcomes and potential new sources of revenue. As part of the project, the study team:

- Directly observed School Nurses in operation in 30 schools, ranging from partial to full day observations. A representative cross section of elementary, middle and high schools were visited all across the County, including many schools with large percentages of students receiving free lunches.
- Concluded 46 interviews of stakeholders, including nurses; School District officials and Principals; Health Care District Board members and administrators; and senior staff of the County Health Department.
- Reviewed programmatic data.
- Reviewed innovative practices in other communities.

Beside social science researchers, our study team included nurse experts, financial analysts and attorneys. The nurse experts⁵ observed Program operations, reviewed procedures and practices, interviewed key staff and provided technical advice and recommendations to the project team. Our consolidated findings and recommendations are presented in Section II of this report.

Financial analysts created an economic model of the Program to look at the anticipated effects of new revenue sources and alternative staffing models. The results of the economic model are the financial and staffing tables presented in Section III. Attorneys⁶ resolved a number of complex legal issues related to the Program qualifying for additional public monies. The results of their efforts are presented in Section IV.

We also conducted an e-mail survey of Program nurses. The findings of this survey, along with a summary of tabulated responses, are presented in Section V.

⁵ Three experts in school nursing and community and public health spent 25 days observing schools throughout Palm Beach County, interviewing nurses and providing guidance to the study team. These experts are:

- **Judy Frederick**, RN, BSN, Director of Student Health Services in Austin, TX;
- **Sylvia Byrd**, ARNP, MPH, Executive Nursing Director for School Health, Florida Department of Health, Tallahassee, FL; and
- **Cherie Sammis**, RN, MS, FNP-C, Clinical Administrator, Perry School Family Health Center; Director, Community Outreach, Providence Hospital, Washington, DC.

⁶ Ferrell, Schultz, Carter, Zumpano and Fertel (Miami, FL) provided legal support.

Note from the Authors

We could not have conducted this extensive evaluation in the short time frame specified without the full and absolute cooperation of the Health Care District, the School Health Program, the School District and the County Health Department. The authors wish to acknowledge the openness and cooperation given to our evaluation team by all of these Agencies.

The authors do not intend for this report to be viewed as negative or critical of the Program's successes to date. Our purpose is to help a very good Program evolve operationally to ensure that the school health needs of Palm Beach County students can continue to be met with quality care using an operational model that is financially sustainable over the long term.

One important indication of the Program's quality is its willingness to undergo an independent, top-to-bottom review of operations and resources. The authors wish to acknowledge the commitment of Program staff and Administrators to this task.

Background on the School Health Program

The School Health Program provides care to students in 146 schools through 165 full-time equivalent (FTE) staff RNs. The current staffing model assigns at least one full-time RN to every public school in the County with some schools having two full-time RNs. Staffing at each school is based on the number and needs of students.

In addition to the staff RNs referenced above, the School Health Program includes:

- 10 "float" nurses who provide additional support and cover schools when nurses are absent;
- 10 technicians who travel to schools to conduct vision and hearing screenings;
- 10 Nurse Supervisors;
- Two Assistant Administrators, and
- A program Administrator.

Every school day the Program serves an average of 6,100 students, which equates to over 1,075,000 annual visits for health assessments, direct care and screenings.⁷ Nurses administer medication, provide first aid treatment, and manage the care of students with chronic medical conditions.

The School Health Program has evolved into a complex set of interlocking relationships. School Health Program staff are employees of the Health Care District. The Medical Director is provided by the Palm Beach County Health Department. The Program receives funding from the Health Care District, the County Health Department, the School District, the Quantum Foundation, Boca Raton Community Hospital, TENET, and JFK Medical Center as Table 1 illustrates:

⁷ Reference: School Health Program 2000-2001 School Year Annual Report. Does not include services provided to Exceptional Education Students who have complex medical conditions.

Table 1. Summary of 2001/02 HCD of PBC School Health Program Funding

Source	Amount
Health Care District	\$7,318,000
County Health Department	1,005,000
Area Hospitals	695,000
School District	323,000
The Quantum Foundation	<u>100,000⁸</u>
TOTAL	\$9,441,000

Source: Program budget and interviews.

Related Programs

Although the School Health Program is the largest program in terms of staffing, it is not the only program providing health care services to public school students. Other specialized programs are operated by the School District, the County Health Department, and Florida Atlantic University College of Nursing. This school year about \$15 million of public and private monies are dedicated to school health in Palm Beach County, as Table 2 illustrates:

Table 2. Summary of 2001/02 Palm Beach County Expenditures for School Health Services

Major Programs	2001/02 Funding
School Health Program	\$9.4
Other Programs	
School District Exceptional Student Education	1.1 ⁹
Other School District Programs	0.2
County Health Department Programs	1.0 ¹⁰
FAU College of Nursing Programs	<u>0.2¹¹</u>
Subtotal, Other Major Program	\$2.6
Behavioral Health Programs	
Children's Services Council	1.3
Health Care District ¹²	1.5
County Health Department	<u>0.2</u>
Subtotal, Behavioral Health Programs	\$3.0
TOTAL (in millions)	\$15.0

Source: Program budgets and interviews. Note: Dollars are in millions.

⁸ Does not include \$150,000 of Quantum Foundation funding in three FAU-sponsored, school-based health centers serving both the community-at-large and students.

⁹ Based on contract for \$710,000 to Maxim for Registered Nursing care and supervision, plus 150 paraprofessionals @ \$16,000 (includes benefits) with an estimated 15 percent of their effort devoted directly to the provision of healthcare.

¹⁰ Primarily includes coverage of comprehensive and full-service schools, including Delray, Roosevelt, Glades Central High, Carver Middle, and Atlantic High Schools.

¹¹ FAU staff are Advance Registered Nurse Practitioners (ARNPs) providing care in school-based health centers serving both the community at large and students.

¹² The School Behavioral Health Program employs behavioral health professionals who work in 30 elementary schools focusing services on kindergarten through third grade students.

Table 3 presents a breakdown of the 187 FTE Registered Nurses providing care in Palm Beach County schools:

Table 3. Total RNs Practicing in Palm Beach County Schools

Major Programs	2001/02 FTE RNs
School Health Program—Health Care District	146
School Health Program—Boca Community Hospital	19
School District ESE Program	14 ⁹
Other School District Programs	2
County Health Department Programs	3 ¹⁰
FAU College of Nursing Programs	3 ¹¹
TOTAL RNS	187

Source: Program budgets and interviews.

The Authority to Provide School Health Services

To put the School Health Program into context, it is important to understand the legal basis for school health activities. No less than three public agencies (not counting the Children's Service Council) have statutory authority to provide health services to public school students. Required activities are governed by a complex set of uncoordinated and sometimes conflicting rules. The following are the key stipulations of the mandates and authorities in force for the School District, the County Health Department, and the Health Care District:

The School District's Mandate

- To make available adequate **physical facilities** for health services. [§381.0056 (7)(c)]
- Principals have immediate **supervisory authority** over all healthcare personnel working in the schools. [§381.0056 (4)]
- To assist students, and provide training to school personnel, in the **administration of prescription medication**; to receive, count and store prescription medication [§232.46 (1), (1)(a) and (2)]
- To provide healthcare services required to allow **students with exceptional needs** to attend school [§300.347]

The County Health Department's Mandate

- In cooperation with the School District, to **supervise the administration of the school health services program** and perform periodic program reviews. [§381.0056 (4)]
- In cooperation with the School District and others, to develop a **school health services plan** [§381.0056 (5)]
- To provide **immunizations** required by the School District at no cost [§232.032 (1)]
- To conduct **background screenings** of all persons who provide school health services, including fingerprints. By agreement, this function is performed by the School District. [§381.0059 (1)(b)]
- To provide health services in **full-service schools**. [§402.3026]

The Health Care District's Authority

- To plan, coordinate, supervise, manage, and implement the school health programs established by the District; to fund the unfunded mandates of the School District and County Health Department. [Chapter 87-450 as amended]
- School health programs funded by the Health Care District must be supplementary to and consistent with the County's program. [§381.0056 (11)]

In addition to these legislative directives, RN employees must comply with the Florida **Nurse Practice Act** [§464.018 (h)] which states that disciplinary action may result, including revocation of licensure, for “unprofessional conduct”, defined as any departure from, or the failure to conform to, the minimal standards of acceptable and prevailing nursing practice.

While the legislative directives could conflict, the Agencies' mutual goal generally prevails: to provide quality services for the betterment of children entrusted to their care.

An Important Challenge for The School District

New regulations that take effect on July 1, 2002 mandate significantly smaller schools. By Florida law, all **elementary** schools planned and built after that date must be no larger than **500** students; **middle schools** must be no larger than **700** students; and **high schools** no larger than **900** students. These figures are significantly less than the current Palm Beach County average school enrollments.

To comply, the School District is designing “a school within a school”, an educational campus with multiple smaller schools that share administrative offices and outside areas. Smaller schools will begin to come on line in 2004. This new requirement will have significant financial impact on the School Health Program and is another important reason to reconsider the Program's staffing model.

An Important Challenge for The Health Care District

At present, the Health Care District does not have difficulty recruiting Registered Nurses. The School Health Program is considered to be a desirable environment for RNs because of its favorable working conditions and academic year schedule.

But a nursing shortage is the reality for area hospitals, who together employ most of the RNs in the County. In South Florida, 16 percent of hospital nursing positions are vacant, according to the Florida Hospital Association (FHA). The state, which has 169,000 licensed nurses, needs another 26,000 nurses now -- and another 34,000 in the next four years.¹³ The FHA reports that 21 percent of licensed nurses in Florida, or approximately 26,500, are not working in the profession.

Nurses are not entering the profession and others are leaving due to a myriad of concerns, including increasing workloads, lack of professional satisfaction, and feeling undervalued.¹⁴ The number of graduates of Florida nursing programs fell 42 percent between 1995 and 2000. Coupled with the fact the average age of RNs is 44 to 45 years old, the sufficiency of the future RN workforce is very much in doubt.

Competing to recruit and retain nurses, hospitals are offering incentives including tuition loan repayments, sign-on and retention bonuses in the thousands of dollars, and increasing salaries. Starting salaries for new RNs in South Florida begin at \$42,000. Statewide, nursing salaries grew 9.4 percent last year.

It is probable that hospital demand for RNs will grow significantly within the six-year time frame of this study. A recently introduced bill¹⁵ in Florida would establish minimum nurse-to-patient-ratios in many hospital departments, skilled nursing facilities and rehabilitation facilities. The bill would also ban mandatory overtime for direct care nurses. Nurses, nurse unions, and consumer advocates hail the stringent requirements of the proposed legislation. The Florida Hospital Association opposes the bill.

The effect of a similar, but less stringent bill in California was to greatly increase the demand for RNs and to shift nurses back into hospitals. For the Health Care District, which employs over 200 nurses, what is not now a problem now may soon evolve into one. In the not too distant future, the competition to recruit and retain a sufficient complement of RNs to meet Program needs may be very difficult and more expensive.

¹³ The *Miami Herald*, March 25, 2002.

¹⁴ *The Nations Health*, American Public Health Association, March 2002.

¹⁵ The "Safe Staffing for Quality Care Act." Reference: *Nursing Spectrum: Florida Edition*. Vol2, No.4 February 25, 2002.

II. FINDINGS AND RECOMMENDATIONS

Our team sought to develop practical recommendations consistent with these goals:

1. To match skills of caregiver with needs of students,
2. To enhance delivery of services,
3. To enhance professional satisfaction of nurses,
4. To enhance quality of program outcomes,
5. To improve efficiency and management of financial resources, and
6. To provide an operational model that is financially sustainable over the long term.

The findings and recommendations of our study are presented below.

1. **Admired Program with a Large Impact.** The School Health Program is a highly regarded provider of services. The Program has grown to become an essential part of the Palm Beach County health care system.

The dedication of the Health Care District, the School District, the County Health Department, and Program staff to promote optimal health for children is clearly apparent. The Palm Beach community makes a strong financial and programmatic commitment through the Program to its children. The nurses we observed are very dedicated, competent, and compassionate caregivers who want to work with students.

Students, parents and educators have come to appreciate and depend on the benefits of the Program. Table 4 presents recent statistics on services provided. Table 5 presents a summary of the common disorders prevalent among Palm Beach County students.

Table 4. 2000/01 Summary Program Statistics

Statistic	2000-01 Value
Non-Medication Visits	657,100
Medication Administration Visits	<u>419,800</u>
Total Visits to School Health Room	1,076,900
No. of Students w/ Med. Visits	17,800
Preventive Screenings ¹⁶	178,200
Injuries Treated	50,000
Individual Healthcare Plans	6,600
Calls to 911	303

Source: Palm Beach County School Health Services 2000-2001 Annual Report, August 15, 2001.

¹⁶ Includes height and weight, vision, hearing, and scoliosis. Screenings are delivered by RNs and health support technicians.

Table 5. 2000/01 Incidence of Common Disorders

Disorder	Number of Students
Asthma	6,543
Allergies	4,603
ADD/ADHD ¹⁷	3,184
Psychiatric Conditions	977
Epilepsy/Seizures	633
Cardiac Conditions	468
Diabetes	286
Sickle Cell Disease	129
Kidney Disorders	127
All Other	<u>859</u>
TOTAL	17,809

Source: Palm Beach County School Health Services 2000-2001 Annual Report, August 15, 2001.

2. **Staffing Model.** The Health Care District recognizes that the staffing model in place is cost prohibitive to maintain at current rates of school and community growth, especially considering the new rules for smaller schools. The staffing model includes only RNs in the health rooms, with no School Health Aides, Certified Nursing Assistants (CNAs), Medical Assistants (MAs), Licensed Practical Nurses (LPNs) or other levels of qualifications.

To appreciate this issue, it is important to understand the services that different levels of personnel are able to provide. RNs, LPNs, MAs, and CNAs are **all** able to administer first aid, cardio-pulmonary resuscitation, and medications. In addition, LPNs can provide health promotion services. Only RNs can develop care plans and manage students with complex conditions. The following is a summary of the training and autonomy associated with each level of qualification:

- **Certified Nursing Assistants** are graduates of formal training programs. They receive a certification from the state of Florida. They help care for patients under the supervision of doctors, nurses or other health care personnel.
- **Medical Assistants** are graduates of formal training programs in Medical Assisting. They help care for patients under the supervision of doctors, nurses or other health care personnel.
- **Licensed Practical Nurses** are graduates of state-accredited practical nursing programs and are licensed by the state Florida. They care for patients under the supervision of a physician or registered nurse.
- **Registered Nurses** are graduates of state-accredited nursing programs and are licensed by the state of Florida. They care for patients under orders of a physician.

¹⁷ Attention Deficit Disorder; Attention Deficit Hyperactivity Disorder.

Areas of concern for the current staffing model are:

- **Matching skills of caregivers with student needs.** Much of what we observed nurses perform during a typical school day does not require the level of a Registered Nurse. Nurses, especially in elementary and middle schools, spend large amounts of time tracking down parents to send students home, generating letters, and dispensing medications, band-aids and personal hygiene supplies. These activities are within the scope of practice of lower level personnel.
- **Professional satisfaction of RNs.** When interviewed, nurses conveyed they were less satisfied when not using their skills and training.
- **Efficiency in service delivery.** Many of the service activities provided by RNs do not require licensed personnel.

Recommendations

- 2.1 We recommend adapting the staffing approach to implement an operational model that ensures quality care to students in a way that is financially sustainable over the long run. A blended staffing model is recommended to better manage resources and to curb future program cost increases by properly matching caregiver skills to student needs. A blended model allows RNs to serve more students with chronic conditions or at high risk, and to provide more health promotion, prevention, and educational support.
- 2.2 Make staffing changes by attrition to protect the excellent reputation of the Program as a reliable and respectful employer of nurses.
- 2.3 Wherever possible, use RNs as Coordinators to supervise Health Aides, CNAs, MAs and LPNs. Consistently reallocate task functions to appropriate levels.
- 2.4 Except in rare instance where there is an overriding need based on documented acuity, hire CNAs or MAs to replace the second RN at schools that now have two RNs. Reallocate RNs to new clusters of schools as they come on line.
- 2.5 Reevaluate the scope of activities and number of float nurses. Reorganize the float pool concept into an internal float pool (no benefits, per diem pay, with established competency achievement.) The internal pool should contain various levels of staff to accommodate operational needs. As before, float personnel should be trained in policies, procedures and operations. Internal pools provide cost reductions while maintaining standards of care and are used in a variety of healthcare settings.
- 2.6 Within the new blended model, review and redefine the role of Nurse Supervisors and reallocate some tasks to RN Coordinators. Seek to minimize administrative functions and maximize leadership functions of Nurse Supervisors to include collaboration with School District and County Health Department staff. The number of supervisors needed to support the new model can be reduced as tasks are assigned to RN Coordinators.
- 2.7 Review and reevaluate the role and scope of the two Assistant Administrators in comparison to other similar programs. Consider combining these into one position. Consider using other resources within HCD to assume some of the administrative functions.

- 2.8 Hire (or identify within your staff) an RN Health Educator to be responsible for staff development, training and orientation, and to assist with implementation of consistent system-wide quality improvement practices based on evidenced-based outcomes.
 - 2.9 In an effort to optimize resources, assign one or more RN Coordinators to clusters of three or more schools in close proximity. "Close proximity" is defined as schools within five miles of each other. These RNs would supervise clinical and ancillary staff, manage complex cases and difficult services, and be available for immediate backup through cellular telephone, intercom service and pagers. Program administrators would define clusters based on geographic proximity and student need.
 - 2.10 Use a well-defined methodology to establish staffing levels based on student need. This should be a data driven exercise. Staffing needs should be assessed and reallocated on a routine basis.
 - 2.11 Given the increased availability of RN Coordinators to participate in prevention and health promotion, consider system-wide, active involvement in immunization programs, including tracking, provision of services, and immunization registry programs. This effort would positively impact children's health in Palm Beach County.
3. **Program Model.** The Program in reality emphasizes treatment over prevention, health promotion, education, risk reduction, and community public health. An integrated model of care, where nurses provide treatment and extensively participate in prevention and health promotion activities, is in place in concept, but first aid services are clearly the dominant activity.

Recommendations

- 3.1 Adopt an actual integrated model of care that embraces both clinical and community health activities. Revise current job functions and reallocate tasks to level of needed experience.
 - 3.2 Increase the professional activities and leadership responsibilities of staff RNs. Assign case management of high-risk students, health promotion, and increased participation in performance improvement activities to the RN Coordinators. Reallocate major segments of daily functions to assistive personnel.
 - 3.3 Establish enhanced communication mechanisms to support the RN Coordinators (e.g., cell phones and pagers.)
 - 3.4 Establish and implement system-wide guidelines for appropriate referrals by teachers to the health room. Educate all school staff, administrators, parents, and students on these guidelines.
4. **Relationships Within the Schools.** In some schools, discord among nurses and principals or teachers is directly affecting care delivery. The major issues are:
- **Designees.** Designees administer medications and relieve nurses when their duties (or bathroom and lunch breaks) take them outside the health room. By policy, the health room must be open and attended during school hours. For nurses to participate in teaching and

other school activities, designees must cover the health room. Designees are required at each school and need to be available to nurses at all times. This procedure is lax, at times nonexistent, and creates undue burdens for some nurses.

- **Facilities.** Some health rooms are barely adequate to meet the level of activity. Space is tight in many schools. Some facilities are functional only because of the tenacity and commitment of the nursing staff.
- **Role Conflicts.** There are role conflicts at the school level between nurses and principals, teachers, and supervisors. Lack of understanding of role responsibilities and health room procedures results in decreased levels of respect. Some examples:
 - Teachers send significant numbers of students who do not need school health services to the health room.
 - Nurses are asked to do inappropriate tasks, such as janitorial duties or acting as custodians of students (who do not require clinical monitoring) awaiting disposition to home or back to class.
 - Nurses are not “First Responders” by policy. Yet, they tend to be the most knowledgeable and trained persons on campus. The real intent and goal of this concept is not clearly understood by all parties.
 - Principals sometimes discourage nurses from calling 911. Nurses must have the decision-making responsibility to call 911 if they feel it is necessary based on their professional judgment.
 - Tasks actually being performed are not consistently at the level of a professional nurse.
 - Nurses transfer frequently among schools, affecting consistency and relationship building with school staff and students.
 - There are instances where the needs of ESE students are a challenge to meet in the health room because of overcrowding.

Recommendations

- 4.1 Establish a priority for nurses to attend and participate in school functions, including registration, teacher and student orientations, end of year faculty meetings, etc. Schedule Program administrative and training sessions to minimize conflicts with school sessions.
- 4.2 Develop and distribute brochures on the role of school nurses to all internal and external communities (teachers, principals, students, parents). Include written guidelines for health room utilization and appropriate referrals.
- 4.3 Review policies for nurse transfers.¹⁸ Continue to place nurses based on age-specific competencies.
- 4.4 Garner system-wide support to rigorously maintain designees at all schools at all times.
- 4.5 Nurses need to have consistent participation on the Safety Committee and Crisis Response Team. Provide and share meeting minutes, plans, and goals.

¹⁸ Teachers generally cannot be reassigned before three years.

- 4.6 Adopt a customer service model where the principals, teachers, and students are the customers. Promote a cooperative spirit of collaboration. Take the initiative and introduce a potential hire or newly hired nurse to the principal. Develop a framework of cooperation and teamwork for the nurse to build upon.
 - 4.7 Nurses should maximally participate in health education and related opportunities in the schools. Allow nurses to incorporate suggestions for health promotion or prevention topics teachers consider a high priority in their school.
 - 4.8 Develop, distribute and maintain “Care Packages” for teachers to help reduce unnecessary referrals to the health room. Include band-aids, and small laminated “First Responder” and “When to Send” information cards. Have females in Student Services facilitate distribution of feminine personal hygiene products.
 - 4.9 Expand the current high school certificate program to train additional CNA graduates; encourage the graduates to consider the School Health Program. Use the Program for student fieldwork and preceptorships. This is a great opportunity for the Health Care District and School District to collaborate to positively impact the nursing shortage.
 - 4.10 Too many health rooms have inadequate space and/or equipment. The School District should address in its capital plan the need to have adequate health room space in new schools and the retrofitting of older schools.
5. **Privacy and Confidentiality.** Issues of privacy and confidentiality are always a major concern in providing health services, especially in schools. Many health rooms have limited space and routinely have a number of students waiting to reach their parents or accessing the clinic bathroom for convenience. This makes privacy very difficult.

Recommendations

- 5.1 Issues of privacy and confidentiality should be reviewed and appropriate measures implemented at the system, school, health room, and caregiver levels as soon as possible.
 - 5.2 Prioritize maximizing privacy in daily operations first, then medical record integrity.
 - 5.3 Each physical space is different. Within current facility limitations, improvements in privacy could be immediately gained by: restricting access to the health room bathroom by school staff and well students; using privacy screens and curtains; monitoring utilization of “frequent fliers”; and reducing inappropriate referrals.
 - 5.4 Reduce telephone utilization by sending students to Student Services to go home. Health room telephones were observed routinely used for non-urgent calls by students.
6. **Risk Management.** Concerns of professional liability now limit allowable activities in the schools¹⁹. The School District, the Health Care District, and the County Health Department all

¹⁹ The law states: “In the absence of negligence, no person shall be liable for any injury caused by an act or omission in the administration of school health services.” [§301.0056 (9)] As negligence can always be alleged, risk management concerns remain.

have liability exposure. Although each of these entities enjoys sovereign immunity, minimizing professional and general liability exposure is still important to all three. Unresolved risk management concerns tend to stifle innovative resource and staff sharing opportunities.

Recommendations

- 6.1 Risk management exposure is a shared concern and should be addressed jointly at the highest organizational levels of the School District, the County Health Department and the Health Care District. Clear and concise guidelines for risk management should be developed and transmitted to Program management for implementation.
 - 6.2 Communication, such as bulletins and statements of policy, needs to be given and received within the organization in a more consistent and documented fashion.
 - 6.3 For all management, supervisor and staff meetings, use an agenda with documented meeting minutes that list issues, recommendations, and actions.
 - 6.4 Continually educate nursing staff on rationales of risk management policies and procedures to enhance compliance.
 - 6.5 Revise current indicators for measuring organizational performance to include standards of practice based on evidence-based outcomes.
7. **Collaboration.** The School Health Program could be better integrated with the County Health Department and School District's related efforts. Although the mandates and authorities governing the responsibilities of each public agency are somewhat different, there are areas where activities could be better coordinated. Competing and unresolved views of what the School Health Program should be contribute to a lack of uniformity and communal mission, and missed opportunities to share resources. If the Program could embrace its stakeholders, beneficial synergies would result.

Lack of collaboration reflects the fact that the Program was only recently introduced in the school system; that the Program has been steadily evolving since its inception; and that the interested parties have yet to consistently come together at the highest levels to develop a unified agenda. Without consensus from the top, staff at the school level (principals and nurses) work in divergent paths at times.

Recommendations

- 7.1 Establish a routine organizational process among appropriate personnel within the Health Care District, School District, and County Health Department to foster improved communication, collaboration and sharing of resources. Some ideas for this would be annual planning retreats; joint attendance at important national meetings; cross agency program evaluation teams; and jointly sponsored continuing education.
- 7.2 Establish a process whereby the critical policies that govern the services of nurses in schools are jointly determined (and annually reviewed) by the Superintendent of Schools and his school health experts, the Chief Executive of Health Care District and his school health experts, and the County Medical Director and her school health experts. Through this inclusive forum, unified policies should be developed with regard to:

- Responsibilities and commitments of each party, including joint fundraising,
- Program model and emphasis,
- Mandatory and optional nurse services,
- Risk management,
- Resource and expense sharing, and
- Desired flexibility for nurses and principals to meet identified needs.

8. Administrative Processes

- **Welligent.** Welligent is a web-based application currently used by the Program to track, document, and report student health encounters. The application is designed around a “Clinic Daily Log” that chronologically lists each of the day’s health office events. Face-to-face encounters, defined as consultations, medications, monitoring vitals, office visits, screenings or special procedures, are tracked by the system.

Welligent is a critical tool for patient and service tracking, resource allocation, evaluation and billing. The proper use of Welligent could give the Program the ability to closely monitor public health outbreaks and respond accordingly. Welligent also can be used to determine staffing needs if the database is accurate and complete.²⁰

Welligent is not consistently used by all nurses. Many of the entry fields on the screen page are not populated. Screening data is not consistently keyed in. Documentation is variable and not standardized among users. This variability results in data integrity problems, due to inflated reports of service volumes in some instances and underreporting in others.

- **IT Support and Training.** The Program does not have enough “key users” in Welligent. Key users are nurses or other Program personnel who are competent in the application and available during work hours to help others. Beyond an original pilot group, nurses have not received enough training. At times, new users are guided by users with minimum competencies thereby perpetuating errors in the system. Response times can be too slow, resulting in reduced usage and input of data.
- **Orientation of Nurses.** Orientation needs to be revised and better designed to meet age specific competencies along with general competencies in school nursing. Evaluation surveys by orientation attendees should drive revisions in program content. Orientation should be provided for all levels of caregivers, not just the RNs.
- **Standardization of Forms and Processes.** Because of inexperience with or slowness of the Welligent system, some nurses have devised their own methods for keeping track of what they do.

²⁰ Welligent’s Cincinnati client is using the tool for this purpose. Reference: Telephone communication with Barbara Klear, Center for Pediatric Research, Norfolk Virginia.

In addition, there is not enough consistency in the distribution of literature and system wide forms. Processes are not fully standardized, resulting in significant efficiency issues and variable standards of care delivery among the nurses.

- **Medical Records.** Medical records storage and handling is shared among various people on and off site. Health folders, Welligent data, screening records, and emergency information cards are not integrated. Together, these sources of information could provide a more holistic picture of the student.

Recommendations

- 8.1 Use all of the system capabilities of Welligent and require maximal utilization by all nurses and staff. Establish and maintain minimum levels of Welligent competency. Reevaluate utilization in light of anticipated Medicaid billing function. Train, test and retrain users.
 - 8.2 Establish a key user group.
 - 8.3 Solve the response time problem.
 - 8.4 Establish a mechanism to revise orientations to include requests for training from employees. Include areas of policy review, expectation of service, and age-related materials.
 - 8.5 Initiate your own “Paperwork Reduction Act”. Receive input from the field nurses as to what is redundant and what to abolish. Focus on accomplishing this within a structured and brief time frame. Use paperwork records only in downtime situations.
 - 8.6 Review downtime procedures, and establish a universal procedure and forms for all to follow.
 - 8.7 Develop a system-wide set of trilingual (English, Spanish and Creole) educational resources for patient education and develop an order form for the nurse to obtain from the HCD along with monthly supplies.
 - 8.8 Scan policy and procedure manuals, letters, care plans (revised and shortened), and forms to be on-line and available for print and storage on-line with the medical record.
 - 8.9 Revise HCD registration card format and contents to include emergency cell and pager numbers, last name first in top left corner, etc. Request School District to facilitate obtaining two student photos at time of registration for use in medication administration identification in lieu of current inefficient use of RN time.
 - 8.10 Develop protocols for maintaining and integrating medical records and related documents.
 - 8.11 Communication needs to be given and received within the organization in a more consistent and documented fashion. Current informal mechanisms result in “lost translations” as it filters down to nurses in the field.
9. **Public Knowledge of Program.** Many parents, teachers and students don’t know what nurses do and don’t do, when it is appropriate to go to the health room, how emergencies are handled in schools, and other important information about the Program. Parents also do not

understand consent and authorization forms. Many do not know that the School Health Program is managed by the Health Care District.

Recommendations

- 9.1 Develop and distribute a system-wide brochure that provides an introduction to the School Health Program and includes information on the topics listed above.
- 9.2 Actively seek other available opportunities, such as public service announcements on the radio, to promote knowledge about the Program.

10. Opportunities for New Revenues. There are four opportunities for additional revenues that the Program can pursue.

- **Title V payments under Medicaid.** Under Florida's Medicaid County Health Department Certified Match Program (§409.9122), Medicaid revenues may be available to the School Health Program. Medicaid program administrators in Tallahassee support the Program's inclusion in the Certified Match Program under an innovative contractual agreement between the Health Care District and the County Health Department. Federal review and approval are being sought. Please see Section IV of this report for a more complete explanation of this opportunity.
- **Enrollment of Medicaid-Eligible Students.** By proactively enrolling Medicaid eligible students into the Medicaid program, opportunities for billing under Medicaid will grow.
- **Grant or Endowment Funding.** Additional grant or endowment funding may be available for specific program enhancements or projects, but unlikely available for general support.
- **Hospital Support.** Although participating hospitals gain goodwill from their support of the Program, the inclusion of additional hospitals has not been achieved. Under the unified support of the School District, the County Health Department and the Health Care District, the participation of new hospitals again should be sought.

Available new monies are expected to be limited and insufficient to fund the Program's current staffing model as smaller new schools are put on line.

Recommendations

- 10.1 The School District, the County Health Department and the Health Care District should all actively support the resolution and implementation of the Title V relationship with the Florida Department of Health.
- 10.2 Once this mechanism is in place, the Program should eventually consider whether to train existing staff to facilitate Medicaid application, hire new staff or to outsource this function to a company with experience.
- 10.3 The School District, the County Health Department and the Health Care District should jointly seek additional grant funding and hospital support for the School Health Program using the combined resources, contacts, and goodwill of the three organizations. Seek to implement creative pilot projects within the Program.

11. **Academic Affiliation.** The Program currently does not have a relationship with an academic affiliate. FAU formerly provided orientation and continuing education programs.

Recommendation

- 11.1 The Program should establish a long-term relationship with an academic affiliate who can assist with annual orientation and professional development processes and in developing brochures and standardized forms.

12. **School System's Use of Contractor for ESE Students.** The School District now uses an outside contractor to provide direct care as well as training and supervision of nursing assistants for students in the Exceptional Student Education program. The Health Care District elected not to submit a proposal to provide this service at the time the contract was awarded. The School District reports satisfaction with the current vendor.

Recommendation

- 12.1 Explore opportunities in the future to reconsider this area of service.

13. **Financial Projections.** Section III beginning on page 21 presents a side-by-side comparison of three funding and staffing scenarios for the School Health Program over the next six years. **Scenario 1** models the continuation of the Program under the current all RN staffing model. To maintain this staffing model, the program will require an additional \$14.1 million over the next six years as new schools come on line. No cushion is built into this number should the average wages of RNs increase more than 6 percent per year.

Scenario 2 models the continuation of the Program under the current all RN staffing model but also assumes that the Program will reduce RN positions to live within a fixed budget. Under this scenario, the total number of RNs working for the Program (including supervisors) will fall from the current figure of 199 to 146 in six years.

Scenario 3 models the continuation of the Program using a blended staff model. In this scenario, the Health Care District funding of the Program grows over time based on the expected growth of Palm Beach County property values. To fund a blended staffing model as new schools come on line, an additional \$7.3 million will be required over the next six years. During this time, total personnel increases from 215 to 252, and the Program continues to provide health and nursing services to all Palm Beach County schools.

Recommendation

- 13.1 Maintaining the all RN model of Scenario 1 is expensive. Depending on what happens to RN salaries over the next five years, Scenario 1 additional funding requirements could be even higher than \$14.1 million.

Reducing the RN staff under Scenario 2 to live within a fixed budget significantly damages the program. By year 4, there are not enough nurses to have full-time personnel in each school.

Scenario 3, which relies on Program funding increases in line with property value increases and blended staffing, is the most reasonable scenario.

Reject Scenarios 1 and 2. Consider the adoption of Scenario 3 (or a variation thereof) under which staffing is blended and funding increases proportionally with property values.

III. PROJECTED SOURCES AND USES OF CASH

The following pages present a side-by-side comparison of three funding and staffing scenarios for the School Health Program over the next six years. Descriptions of the funding and staffing scenarios begin on page 38.

Scenario 1 [**All RN Staffing, Fixed HCD Funding**] models the continuation of the program under the current all RN staffing model. Staffing levels are maintained while the District accumulates a funding shortfall under the Health Care District's fixed funding. This is what will happen if the Program can continue with the same staffing plan by somehow pulling together the money it needs to cover anticipated funding shortfalls. This scenario is summarized on page 22.

Scenario 2 [**Reduced RN Staffing, Fixed HCD Funding**] models the continuation of the program under the RN staffing model. Staffing levels are reduced as required to balance the Program's budget under a fixed funding scenario. This is what will happen if the Program continues with an all RN staffing plan, but is forced to live within current levels of funding. This scenario is summarized on page 23.

Scenario 3 [**Mixed Staffing, Variable HCD Funding**] models the continuation of the program using a mixed staff model. Staffing levels are allowed to increase to balance the Program's budget under a variable funding scenario. In this scenario, the Health Care District funding of the program grows over time based on the expected growth of Palm Beach County property values. This scenario is summarized on page 24.

Pages 25 through 30 present annual projected statements of sources and uses of funds across the three scenarios for each of six different year-end periods. Page 31 presents a total staffing comparison for the three scenarios over the six year-end periods. Pages 32 through 37 present a comparison of the annual staffing breakdowns associated with the funding projections. Page 38 begins the written explanation of other significant assumptions.

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PROJECTED SOURCES AND USES OF FUNDS	
Statements of Projected Sources and Uses of Funds Years Ending September 30, 2002, 2003, 2004, 2005, 2006, and 2007	22-30
Summary of Significant Projection Assumptions	
Staffing Matrix, Years Ending September 30, 2002, 2003, 2004, 2005, 2006, and 2007	31-37
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PALM BEACH COUNTY SCHOOL HEALTH PROGRAM
STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006 AND 2007

SCENARIO 1: ALL RN STAFFING - FIXED HCD FUNDING

	September 30, 2002	September 30, 2003	September 30, 2004	September 30, 2005	September 30, 2006	September 30, 2007
Sources:						
Program Support	\$9,441,000	\$9,376,000	\$9,413,000	\$9,452,000	\$9,493,000	\$9,537,000
Uses:						
Payroll	7,137,000	7,776,000	8,395,000	9,183,000	9,839,000	10,740,000
Employee Benefits	2,122,000	2,418,000	2,616,000	2,873,000	3,083,000	3,377,000
Operating Expenditures	182,000	193,000	205,000	217,000	230,000	244,000
Additional Billing Costs	-	-	-	-	-	-
Total Uses	9,441,000	10,387,000	11,216,000	12,273,000	13,152,000	14,361,000
Sources Over (Under) Uses	\$-	\$(1,011,000)	\$(1,803,000)	\$(2,821,000)	\$(3,659,000)	\$(4,824,000)

Total Number of Schools Served	153	155	162	163	170	170
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Staffing						
RN	199	206	210	217	220	227
CNAs or MAs	-	-	-	-	-	-
Others	16	16	16	16	16	16
Total	215	222	226	233	236	243

See accompanying report or independent certified public accountants and summary of significant assumptions.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006 AND 2007

SCENARIO 2: REDUCED RN STAFFING - FIXED HCD FUNDING

	September 30, 2002	September 30, 2003	September 30, 2004	September 30, 2005	September 30, 2006	September 30, 2007
Sources:						
Program Support	\$9,441,000	\$9,376,000	\$9,413,000	\$9,452,000	\$9,493,000	\$9,537,000
Uses:						
Payroll	7,137,000	7,020,000	7,045,000	7,100,000	7,144,000	7,150,000
Employee Benefits	2,122,000	2,151,000	2,140,000	2,139,000	2,133,000	2,112,000
Operating Expenditures	182,000	193,000	205,000	217,000	230,000	244,000
Additional Billing Costs	-	-	-	-	-	-
Total Uses	9,441,000	9,364,000	9,390,000	9,456,000	9,507,000	9,506,000
Sources Over (Under) Uses	\$-	\$12,000	\$23,000	\$(4,000)	\$(14,000)	\$31,000

Total Number of Schools Served	153	155	162	163	170	170
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Staffing						
RN	199	185	175	165	156	146
CNAs or MAs	-	-	-	-	-	-
Others	16	16	16	16	16	16
Total	215	201	191	181	172	162

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006 AND 2007

SCENARIO 3: MIXED STAFFING - VARIABLE HCD FUNDING

	September 30, 2002	September 30, 2003	September 30, 2004	September 30, 2005	September 30, 2006	September 30, 2007
Sources:						
Program Support	\$9,443,000	\$9,871,000	\$10,343,000	\$10,851,000	\$11,396,000	\$12,058,000
Uses:						
Payroll	7,116,000	7,385,000	7,695,000	8,084,000	8,448,000	8,951,000
Employee Benefits	2,115,000	2,280,000	2,370,000	2,486,000	2,593,000	2,747,000
Operating Expenditures	182,000	193,000	205,000	217,000	230,000	244,000
Additional Billing Costs	30,000	123,000	58,000	64,000	72,000	90,000
Total Uses	9,443,000	9,981,000	10,328,000	10,851,000	11,343,000	12,032,000
Sources Over (Under) Uses	\$-	\$(110,000)	\$15,000	\$-	\$53,000	\$26,000
Total Number of Schools Served	153	155	162	163	170	170
Staffing						
RN	198	181	166	154	141	133
CNAs or MAs	1	25	47	68	87	103
Others	16	16	16	16	16	16
Total	215	222	229	238	244	252

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2002

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,441,000	\$9,441,000	\$9,443,000
Uses:			
Payroll	7,137,000	7,137,000	7,116,000
Employee Benefits	2,122,000	2,122,000	2,115,000
Operating Expenditures	182,000	182,000	182,000
Additional Billing Costs	-	-	30,000
Total Uses	9,441,000	9,441,000	9,443,000
Sources Over (Under) Uses	\$-	\$-	\$-

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2003

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,376,000	\$9,376,000	\$9,871,000
Uses:			
Payroll	7,776,000	7,020,000	7,385,000
Employee Benefits	2,418,000	2,151,000	2,280,000
Operating Expenditures	193,000	193,000	193,000
Additional Billing Costs	-	-	123,000
Total Uses	10,387,000	9,364,000	9,981,000
Sources Over (Under) Uses	\$(1,011,000)	\$12,000	\$(110,000)

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2004

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,413,000	\$9,413,000	\$10,343,000
Uses:			
Payroll	8,395,000	7,045,000	7,695,000
Employee Benefits	2,616,000	2,140,000	2,370,000
Operating Expenditures	205,000	205,000	205,000
Additional Billing Costs	-	-	58,000
Total Uses	11,216,000	9,390,000	10,328,000
Sources Over (Under) Uses	\$(1,803,000)	\$23,000	\$15,000

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2005

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,452,000	\$9,452,000	\$10,851,000
Uses:			
Payroll	9,183,000	7,100,000	8,084,000
Employee Benefits	2,873,000	2,139,000	2,486,000
Operating Expenditures	217,000	217,000	217,000
Additional Billing Costs	-	-	64,000
Total Uses	12,273,000	9,456,000	10,851,000
Sources Over (Under) Uses	\$(2,821,000)	\$(4,000)	\$-

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2006

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,493,000	\$9,493,000	\$11,396,000
Uses:			
Payroll	9,839,000	7,144,000	8,448,000
Employee Benefits	3,083,000	2,133,000	2,593,000
Operating Expenditures	230,000	230,000	230,000
Additional Billing Costs	-	-	72,000
Total Uses	13,152,000	9,507,000	11,343,000
Sources Over (Under) Uses	\$(3,659,000)	\$(14,000)	\$53,000

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

STATEMENT OF PROJECTED SOURCES AND USES OF FUNDS

FOR THE YEAR ENDING SEPTEMBER 30, 2007

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Sources:			
Program Support	\$9,537,000	\$9,537,000	\$12,058,000
Uses:			
Payroll	10,740,000	7,150,000	8,951,000
Employee Benefits	3,377,000	2,112,000	2,747,000
Operating Expenditures	244,000	244,000	244,000
Additional Billing Costs	-	-	90,000
Total Uses	14,361,000	9,506,000	12,032,000
Sources Over (Under) Uses	\$(4,824,000)	\$31,000	\$26,000

See accompanying report or independent certified public accountants and summary of significant assumptions

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

TOTAL STAFFING COMPARISON

FOR THE YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006 AND 2007

	September 30, 2002	September 30, 2003	September 30, 2004	September 30, 2005	September 30, 2006	September 30, 2007
	215	222	226	233	236	243
	215	201	191	181	172	162
	215	222	229	238	244	252
Total Number of Schools Served	153	155	162	163	170	170

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2002

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	10	10
School Registered Nurse	170	170	169
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	1
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	215	215	215

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2003

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	8	9
School Registered Nurse	177	158	153
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	25
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	222	201	222

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2004

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	6	8
School Registered Nurse	181	150	139
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	47
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	226	191	229

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2005

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	6	7
School Registered Nurse	188	140	128
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	68
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	233	181	238

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2006

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	6	6
School Registered Nurse	191	131	116
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	87
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	236	172	244

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

STAFFING MATRIX

FOR THE YEAR ENDING SEPTEMBER 30, 2007

	Scenario 1 All RN Staffing Fixed HCD Funding	Scenario 2 Reduced RN Staffing Fixed HCD Funding	Scenario 3 Mixed Staffing Variable HCD Funding
Administrative Assistant	1	1	1
Administrative Secretary	2	2	2
Asst Admin - Admin Svc	1	1	1
Health Support Tech	10	10	10
School Health Nurse Supervisors	10	6	6
School Registered Nurse	198	121	108
School Nurse Practitioner	-	-	-
School License Practical Nurse	-	-	-
School Health CNAs or MAs	-	-	103
School Health Administration	1	1	1
School Nurse Specialist	2	2	2
School Nurse Part time	12	12	12
School Nurse - On-call	5	5	5
Asst Admin - Clinical services	1	1	1
Total Staff	243	162	252

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

FISCAL YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006, AND 2007

NOTE 1. BUSINESS

The School Health Program provides care to students in 146 schools through 165 full-time equivalent (FTE) registered nurses. The current staffing model assigns at least one full-time RN to every public school in the County. Staffing at each school is based on the number and needs of students.

School Health Program staff are employees of the Health Care District. Overall medical direction is provided by the Palm Beach County Health Department. The Program receives funding from the Health Care District, the County Health Department, the School District, the Quantum Foundation, Boca Raton Community Medical Center, TENET, and JFK Medical Center.

The accompanying projections were prepared for the Quantum Foundation, Inc., for the purpose of assisting the Health Care District of Palm Beach County with evaluating the current program and developing a plan to address the current program's structure and economics.

NOTE 2. SIGNIFICANT ASSUMPTIONS

Individual Scenario Assumptions

All three Scenarios projected the results based on current operating budgets of the various organizations involved in the School Health Program adjusted for estimated increases in personnel, benefits, operating costs and expansion of the Palm Beach County School System. The Scenarios are categorized and named as All RN Staffing-Fixed HCD Funding, Reduced RN Staffing-Fixed HCD Funding, and Mixed Staffing-Variable Funding.

Sources

All RN Staffing-Fixed HCD Funding and Reduced RN Staffing-Fixed HCD Funding

Program Support in the All RN Staffing-Fixed HCD Funding and the Reduced RN Staffing-Fixed HCD Funding Scenarios is projected to stay fixed throughout the six years of the projection. The assumption is that funding from the Health Care District, the Palm Beach County Health Department, the Tobacco Trust Fund, and the Palm Beach County School District will remain fixed throughout the projection. The funding from the Hospital Community will increase at an effective rate of approximately 6% per year. The projected sources are outlined below:

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Program Support						
Health Care District of Palm Beach County Contribution	\$7,317,000	\$7,318,000	\$7,318,000	\$7,318,000	\$7,317,000	\$7,318,000
Community Hospital Support	695,000	729,000	766,000	805,000	847,000	890,000
Palm Beach County Health Department	806,000	806,000	806,000	806,000	806,000	806,000
Quantum	100,000	-	-	-	-	-
Tobacco Trust Fund	200,000	200,000	200,000	200,000	200,000	200,000
Palm Beach County School District	323,000	323,000	323,000	323,000	323,000	323,000
Charges For Services - Medicaid	-	-	-	-	-	-
Charges For Services - other	-	-	-	-	-	-
Total Support	<u>\$9,441,000</u>	<u>\$9,376,000</u>	<u>\$9,413,000</u>	<u>\$9,452,000</u>	<u>\$9,493,000</u>	<u>\$9,537,000</u>

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

NOTE 2. SIGNIFICANT ASSUMPTIONS (CONTINUED)

Individual Scenario Assumptions (Continued)

Mixed Staffing-Variable HCD Funding

Program Support in the Mixed Staffing-Variable HCD Funding Scenario is projected to increase throughout the six years of the projection. The assumption is that funding from the Health Care District will increase at the same rate as the taxable value of Palm Beach County tax base. The taxable value used in the projection is based on the Health Care District's internal ten-year budget. The County Health Department, the Tobacco Trust Fund, and the School District remain fixed throughout the projection. (The funding from the Hospital Community will increase at an effective rate of approximately 6% per year). Finally, this projection includes an estimate of reimbursements received from Medicaid under Title 5. Projected sources are outlined below:

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Program Support						
Health Care District of Palm Beach County Contribution	\$7,319,000	\$7,685,000	\$8,070,000	\$8,473,000	\$8,896,000	\$9,342,000
Community Hospital Support	695,000	729,000	766,000	805,000	847,000	890,000
Palm Beach County Health Department	806,000	806,000	806,000	806,000	806,000	806,000
Quantum	100,000	-	-	-	-	-
Tobacco Trust Fund	200,000	200,000	200,000	200,000	200,000	200,000
Palm Beach County School District	323,000	323,000	323,000	323,000	323,000	323,000
Charges For Services - Medicaid	-	128,000	178,000	244,000	324,000	497,000
Charges For Services - other	-	-	-	-	-	-
Total Support	<u>\$9,443,000</u>	<u>\$9,871,000</u>	<u>\$10,343,000</u>	<u>\$10,851,000</u>	<u>\$11,396,000</u>	<u>\$12,058,000</u>

Uses of Funds

All RN Staffing – Fixed HCD Funding

Payroll

Payroll is estimated based on the current years budget adjusted by three factors: an annual effective growth rate for merit of 4.5%, an anticipated increase in labor costs of 1.5%, and increases in the number of registered nurses as a result of the expansion of the Palm Beach County School System.

Employee Benefits

Employee Benefits are estimated based on the current years budget adjusted by three factors: an annual effective growth rate of 6%, the number of covered employees and an adjustment for estimated increases in health insurance premiums.

Operating Expenditures

Operating expenditures are estimated based on the current year's budget adjusted by an annual effective growth rate of 6%.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

NOTE 2. SIGNIFICANT ASSUMPTIONS (CONTINUED)

Individual Scenario Assumptions (Continued)

Uses of Funds (Continued)

Reduced RN Staffing-Fixed HCD Funding

Payroll

Payroll is estimated based on the current years budget adjusted by three factors: an annual effective growth rate for merit of 4.5%, an anticipated increase in labor costs of 1.5%, and decreases in the number of registered nurses as a result of the financial shortages.

Employee Benefits

Employee benefits are estimated based on the current years budget adjusted by three factors: an annual effective growth rate of 6%, the number of covered employees and an adjustment for estimated increases in health insurance premiums.

Operating Expenditures

Operating expenditures are estimated based on the current years budget adjusted by an annual effective growth rate of 6%.

Mixed Staffing-Variable HCD Funding

Payroll

Payroll is estimated based on the current years budget adjusted by four factors: an annual effective growth rate for merit of 4.5%, an anticipated increase in labor costs of 1.5%, an increase in the number of job positions and a shifting of responsibilities from registered nurses to assistive professional.

Employee Benefits

Employee benefits are estimated based on the current years budget adjusted by three factors: an annual effective growth rate of 6%, the number of covered employees and an adjustment for estimated increases in health insurance premiums.

Operating Expenditures

Operating expenditures are estimated based on the current years budget adjusted by an annual effective growth rate of 6%.

Additional Billing Costs

These costs are based on management's best estimate for adequately training staff to capture the correct billing information, the 10% collection fees, and software upgrades and support.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

The projections do not reflect additions to assets, which are directly related to the program. Additional assets to be acquired throughout the six years of the projection will consist of health room furniture and fixtures. Funding for this new furniture and fixtures is to be the responsibility of the Palm Beach County School District. The School District estimates that it will spend on average of \$3,170 for each new health clinic which will total approximately \$76,000 over the next six years.

The Palm Beach County School District is constructing new schools with health rooms. The capital expenditures associated with the construction of the health rooms are not reflected in these projections.

NOTE 5. INCOME TAXES

The accompanying projected financial statements do not include a provision for income taxes since the organizations are exempt from income taxes.

NOTE 6. SIGNIFICANT ESTIMATES

The preparation of projected sources and uses of funds requires management to make estimates and assumptions that affect the reported amounts in the projections and accompanying assumptions. It is reasonably possible that a material change in estimates could occur in the near term. These estimates are based on management's knowledge of current events and actions it may undertake in the future.

NOTE 7. ACCOUNTING POLICY

These projections were prepared using the cash basis of accounting. Sources are reported based on the expectation of when the funds will be received and Uses are reported based on the expectation of when the funds will be spent.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

FISCAL YEARS ENDING SEPTEMBER 30, 2002, 2003, 2004, 2005, 2006, AND 2007

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Quantum Foundation, Inc.
West Palm Beach, FL

We have compiled the accompanying projected statements of Sources and Uses of Funds of the Palm Beach County School Health Program for the years ending September 30, 2002, 2003, 2004, 2005, 2006, and 2007 under three different sets of assumptions, as listed in the accompanying table of contents, in accordance with standards established by the American Institute of Certified Public Accountants.

The accompanying projections and this report were prepared for the Quantum Foundation, Inc., for the purpose of evaluating the current program and developing a plan to address the current program's structure and economics.

A compilation of projected statements is limited to presenting in the form of projected statements, information that is the representation of management and other stakeholders in the program and does not include evaluation of the support for the assumptions underlying the projections. We have not examined the projections and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of projections established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the projections, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows for the projection periods. Accordingly, these projections are not designed for those who are not informed about such matters.

West Palm Beach, Florida
March 22, 2002

IV. LEGAL ISSUES RELATED TO MEDICAID BILLING

M E M O R A N D U M

To : David Berman, RCH Healthcare Advisors L. L. P.

CC : Mark Burger, RCH Healthcare Advisors L. L. P.
Joseph I. Zumpano, Esq., Ferrell Schultz

From : Sandra P. Greenblatt, Esq., Ferrell Schultz

Date : 6/17/2002

Subject: Legal Support of the Comprehensive
Evaluation of the School Health Program in
Palm Beach County

We have reviewed relevant Florida statutes and regulations to determine whether additional sources of public funding for the School Health Program (“Program”) are available to supplement the current funding by the Health Care District of Palm Beach (“HCD”) and the Palm Beach County Health Department (“PBCHD”). We were advised that approximately thirty (30%) percent of the school children served by the Program are Medicaid eligible, yet, to date, Program services have not been billed to Medicaid.

The Medicaid Program, Title XIX of the Social Security Act, is a joint Program of the federal and state governments, administered in Florida by the Agency for Health Care Administration (“AHCA”). Health care practitioners and facilities that meet the conditions of participation and eligibility requirements and are enrolled in Medicaid may provide and be reimbursed for rendering Medicaid-covered services. Medicaid will not reimburse services for Medicaid recipients if non-Medicaid recipients are provided the same services free of charge. The only exceptions are services provided by agencies that receive federal funds from either Title V (Maternal and Child Health) or Part B or C of the Individuals with Disabilities Education Act. HCD is not eligible for either exception, as it is not a Title V agency or school district.

County Health Departments (“CHDs”), including PBCHD, are Title V exempt agencies. When delivering school-based services under Section 381.0056, Florida Statutes, CHDs are eligible for the federal share, or approximately 55% of Medicaid reimbursement, for a Medicaid-eligible child who receives Medicaid covered services in a school setting, regardless of whether the child is enrolled in MediPass or a managed care plan. This is known in Florida as the Medicaid County Health Department Certified Match Program (“CHD Certified Match Program”). See, Section 409.9122, Florida Statutes. Section 381.0056, Florida Statutes, the School Health Services Act, recognizes that units of local government or political subdivisions of the state, such as HCD, hospitals and other non-

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

(Continued)

profit organizations may agree to participate in a public-private partnership with a CHD, local school district, or school in the delivery of school health services.

The CHD Certified Match Program provides Medicaid reimbursement to CHDs for medically necessary nursing and medication administration services provided personally by licensed Registered Nurses (“RNs”) or licensed practical nurses (“LPNs”) under the direction of an RN, as governed by the Florida Nurse Practice Act. We have been advised by AHCA that they are considering adding behavioral health services and services provided by advanced registered nurse practitioners (“ARNPs”) to the CHD Certified Match Program, which would increase available Medicaid reimbursement for school health services.

The CHD Certified Match Program Coverage and Limitations Handbook requires that a participating CHD: (i) be enrolled in Medicaid as a group provider; (ii) employ or individually contract with the licensed RNs and LPNs who meet Medicaid qualifications to provide school nursing services; and (iii) supervise the nurses. CHDs participating in the Medicaid CHD Certified Match Program must “certify” that they have used non-federal funds for health care services as the state share. Medicaid then reimburses the CHD the federal share of its payment for the health care services.

Currently, the nursing personnel for the Program are employed by HCD and HCD provides administrative direction for the Program as well as the majority of the funding. The PBCHD provides clinical direction and supervision for the nurses through its Medical Director as well as additional Program funding. The Program currently benefits from the extensive administrative infrastructure of HCD, which includes but is not limited to billing, collections and human resources services, which HCD is willing to continue to provide to the Program.

In extensive consultations with AHCA, Medicaid Program administrators have indicated to us that AHCA supports participation of the Palm Beach County School Health Program in the CHD Certified Match Program. Administrators have further indicated that AHCA will entertain and submit to CMS for review an arrangement for participation of the Program in the CHD Certified Match Program under a contractual arrangement between HCD and PBCHD. (See Attachment I, letter of February 28, 2002 from Wendy Johnston.) An outline of the terms of the proposed contract, as provided to AHCA, are set forth on Attachment II hereto. Under the proposed contractual arrangement, PBCHD, the Title V agency, will be the Medicaid-enrolled group provider under the CHD Certified Match Program. HCD will act as a staffing/employee leasing company, providing nurses to staff the School Health Program. The nurses will continue to be employees of the HCD. CHD will provide clinical supervision of the nursing services and each nurse will independently enter into a Joinder (see Attachment III) to the master contract acknowledging their proper licensure, Medicaid eligibility and clinical supervision by the PBCHD. HCD will also agree contractually to act as CHD’s billing agent and will enter into a Florida Medicaid Provider Billing Agent Agreement with the state Medicaid fiscal agent.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

(Continued)

The blended model financial projection for the Program (see Section III) conservatively estimates that participation in the Medicaid CHD Certified Match Program would eventually generate about \$500,000 in additional funding for the Program. Other estimates are higher. In addition, we may wish to explore the possibility of billing Medicaid retroactively for up to twelve (12) months of eligible school nursing services provided by the Program to Medicaid eligible students.

As stated above, AHCA has provided direction in support of the Palm Beach County School Health Program accessing funding through the Medicaid CHD Certified Match Program by HCD contracting to provide staffing and billing agent services to CHD, rather than necessitating a complete transfer of the Program from HCD to the CHD. If AHCA reverses its position, HCD will need to explore other alternatives for funding, which may include but not be limited to applying for a federal Medicaid waiver or reorganization of the Program under alternate ownership and/or governance.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

ATTACHMENT I



JES BUSH, GOVERNOR

February 28, 2002

FRONDA M. NEDOWS, MD, FAAP, SECRETARY

Mrs. Tanya Palmer
Director of Research and Planning
Palm Beach County Health Care District
324 Datura Street, Suite 401
West Palm Beach, Florida 33401

Dear Mrs. Palmer:

Thank you for sending the draft copy of the "Joinder of Nurses to Master Staffing and Administration and Administrative Services Agreement" between the Palm Beach Health Care District and the County Health Department. This document has been reviewed along with the outline you sent stating pertinent facts and objectives related to the Palm Beach County School Health Program and participation in the Florida Medicaid County Health Department Certified Match Program.

It is important that the attorneys for both the Palm Beach Health Care District and the County Health Department review the agreements and associated documents. Please forward the final version of the agreements to my office so staff from the Centers for Medicare and Medicaid Services can also review.

It needs to be clear in the agreement that the County Health Department is responsible for the direct supervision of behavioral services staff rendering services in the school setting. Subsection 381.0056(4), Florida Statutes, provides that "The Department of Health shall have the responsibility, in cooperation with the Department of Education, to supervise the administration of the school health services program and perform periodic program review."

State law requires that the County Health Department's School Health Services Plan includes all health services to be provided to students. While the Palm Beach County School Health Services Plan incorporates a brochure indicating behavioral services are offered to students, we recommend that an addendum to the plan be sent to Sylvia Byrd, Director of School Health Services for the Department of Health, with more specifics as to the behavioral services being offered, including the number and type of staff rendering these services.

Thank you for your efforts to achieve Medicaid reimbursement for school-based behavioral health services.

Sincerely,

Wendy Johnston
Program Administrator
Medicaid Program Development

WJ:wp
Enclosure
cc: Sylvia Byrd, DOH

2717 Mahan Drive • Mail Stop #20
Tallahassee, FL 32308



Visit AHCA online at
www.fdhc.state.fl.us

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

ATTACHMENT II

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM OUTLINE FOR FLORIDA MEDICAID COUNTY HEALTH DEPARTMENT CERTIFIED MATCH PROGRAM

To help ensure school age children get nursing care during the school day, the Florida Legislature mandated the development of the Medicaid County Health Department (“CHD”) Certified Match Program (“CMM”). This Program makes Federal Medicaid funds available to reimburse County Health Departments for nursing services provided in Florida public schools to Medicaid-enrolled students.

Currently, the School Health Program in Palm Beach County is operated cooperatively between the Health Care District of Palm Beach (“HCD”) and the Palm Beach CHD. This collaboration has been in the best interests of the residents of Palm Beach County, as the two organizations have greater pooled resources available to perform the necessary school health services. However, with the projected growth in the population and number of schools in Palm Beach County, additional funds will be required to supplement the available resources of both the HCD and CHD of Palm Beach County, in order to assure that the existing level of nursing services can be maintained for the school children of Palm Beach County. Palm Beach County wishes to avail itself of available Federal Medicaid funds, to match the local tax funds to support school nursing, through participation in the CHD CMM.

In compliance with the Florida Medicaid CHD CMM Coverage and Limitations Handbook, the CHD of Palm Beach County is proposing to participate as a Medicaid Provider under the CHD CMM as follows:

1. The Palm Beach CHD will enroll in the Medicaid CHD CMM as a group provider;
2. The CHD will provide clinical direction and medical supervision to the School Health Program;
3. CHD’s financial office will submit quarterly certifications of matching non-federal expenditures for school health services.
4. The CHD will enter into a Master Staffing and Administrative Services Agreement with the HCD of Palm Beach County, to provide the following services to CHD:
 - a. HCD will provide licensed Registered Nurses (“RNs”) and licensed practical nurses (“LPNs”), as applicable, to the CHD for the purpose of providing school health services

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

(Continued)

to Medicaid-enrolled students, as “leased employees” of CHD. The concept of employee leasing is recognized and accepted by Federal Programs, including Title XVIII.

- 1) The RNs and LPNs will be under the clinical direction and medical supervision of the CHD when providing nursing services to Medicaid-enrolled students. LPNs, if any, will be under the clinical supervision of RNs, in accordance with the requirements of the Florida Nurse Practice Act.
- 2) Each RN and LPN who provides nursing services to Medicaid-enrolled students will meet Medicaid qualifications for providers and, if applicable, will enroll as individual treating providers in the CHD group.
- 3) Each RN and LPN who provides nursing services to Medicaid-enrolled students will contract individually with CHD by executing a Joinder to the Master Staffing and Administrative Services Agreement (sample attached).
- 4) RNs, LPNs, CHD and HDC will be required to maintain clinical records in a secure and confidential manner for nursing services provided to Medicaid-enrolled students in compliance with Federal and state laws and regulations.

b. HCD of Palm Beach will provide administrative services to CHD for the operation of the school health Program, including such services as employee recruiting, retention and training, payroll and benefits management, and billing and collection services as the billing agent of CHD. HCD will enter into the standard Florida Medicaid Provider/Billing Agent Agreement, if required.

c. CHD will compensate HCD for staffing and administrative services provided to CHD under the Master Staffing and Administrative Services Agreement based on the fair market value of such services, not to exceed the reimbursement received under the CHD Certified Match Program.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS (Continued)

ATTACHMENT III

JOINDER OF NURSES TO MASTER STAFFING AND ADMINISTRATIVE SERVICES AGREEMENT Between PALM BEACH COUNTY HEALTH DEPARTMENT And HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By affixing his or her signature hereto, _____ (the "Undersigned") hereby joins in the execution of the Master Staff and Administrative Services Agreement (the "Agreement"), executed by and between the Palm Beach County Health Department ("CHD") and the Health Care District of Palm Beach County ("HCD"), for the purposes set forth herein. Upon the Undersigned's compliance with the terms and conditions set forth below and acceptance of this Joinder by CHD and the HCD, the Undersigned shall be a party to the Agreement for the purpose of providing nursing services to Medicaid-enrolled students in the Palm Beach County School Health Program.

- 1) The Undersigned represents that he or she is duly licensed as a registered nurse or a licensed practical nurse (check one) by the State of Florida and will maintain such license in good standing at all times he or she is a party to the Agreement. The Undersigned shall immediately notify HCD in the event of any limitation, suspension, revocation or non-renewal of his or her license. Failure to notify HCD shall be cause for immediate termination of the Undersigned's participation in the School Health Program and this Agreement.
- 2) The Undersigned represents that he or she has never been sanctioned or excluded from Medicare, Medicaid or other government program. The Undersigned shall immediately notify HCD in the event of any sanction or exclusion of the Undersigned by any government program. Failure to notify HCD shall be cause for immediate termination of the Undersigned's participation in the School Health Program and this Agreement.
- 3) The Undersigned agrees to complete the necessary documents to enroll as a treating provider in the Florida Medicaid Program in the CHD provider group and to provide nursing services to Medicaid-enrolled students in the Palm Beach County School Health Program as a leased employee under the clinical supervision of the CHD and in accordance with the professional standards set forth in the Florida Nurse Practice Act.

PALM BEACH COUNTY SCHOOL HEALTH PROGRAM

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

(Continued)

- 4) The Undersigned agrees to perform school nursing services for Medicaid-enrolled students in compliance with the requirements of the Medicaid CHD Certified Match Program and all applicable federal, state and local laws and regulations.
- 5) The Undersigned acknowledges and agrees that he or she has been provided with a copy of the provisions of the Agreement that apply to the Undersigned and that he or she understands such provisions. The execution of this Joinder shall be a counterpart execution of the Agreement, and the Undersigned agrees to be bound by and to comply with all of the terms and provisions set forth in this Joinder and the provisions of the Agreement that apply to the Undersigned, as though he or she were an original party thereto.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of this ____ day of _____, 2002.

Signature: _____
_____, Individually
(Print Name)

License No.: _____

Address: _____

The undersigned accept this Joinder on the last date indicated below:

**PALM BEACH COUNTY HEALTH
DEPARTMENT:**

By: _____
Name: _____
Title: _____
Date: _____

**HEALTH CARE DISTRICT OF
PALM BEACH COUNTY:**

By: _____
Name: _____
Title: _____
Date: _____

V. FINDINGS OF E-MAIL SURVEY

We conducted an e-mail survey of 195 staff nurses the last week of February²¹. Our survey asked the nurses about the problems they faced, the amount of time spent on various activities, and their perceptions of the Program. During the time the survey was posted on the RCH Healthcare website, 106 responses were received, representing a 54 percent response rate. A copy of the survey that contains the summary total responses for each of the questions asked (not including written comments) is posted beginning on Page 46.

The Respondents. Of the 106 respondents, 38 percent were associate degree RNs; 25 percent were Bachelors of Science in Nursing RNs; 19 percent were diplomas RNs; 2 percent were Masters of Science in Nursing RNs; and 16 percent were “other”.

The entire group of respondents averaged 5 years in school nursing with over two-thirds having more than three years with the Program.

Summary of Findings

Problems Identified. The survey listed fifteen potential problem areas and asked the respondents to rank each as a “major problem”, “some problem” or “no problem”. The area identified most frequently as a problem was “adequate support from supervisors”. The area identified most frequently as a **major** problem was “privacy/confidentiality”. The following is a rank order list of identified problem areas:

Identified Problem Areas	Number of Times Mentioned
Adequate Support from Supervisors	90
Parental Communication	88
Irregular Peaks in Service Demand	86
Privacy/Confidentiality	75
Overall Caseload Too High	73
Clinical Back-Up	72
Time Management	69
Information Technology Training	63
Teacher/Principal Communication	61

²¹ On February 25, 2002, e-mails containing instructions for the survey were sent to 195 nurses at their school e-mail addresses. The instructions included a response deadline of March 1, 2002 at 5:00 pm.

Time Commitment. The survey listed six major activities and asked nurses to specify allocation of their time on an average day. The following is a rank order list of time commitments:

Major Activity	Percentage of Time
Illness/Injury Treatment (including documentation)	62
Dispensing Medications (including documentation)	14
Administrative Requirements	12
Children with Special Needs	6
Communicable Disease Activities	3
Immunization Management	3
TOTAL	100

Employee Perceptions. The respondents' overall perception of the Program was positive, 4.1 on a scale of 1 to 5 with 5 being the most positive. They believe the staff work well together, the quality of service is the best available, and that students consistently have good experiences.

The amount of paper work and administration, however, lead to the most negative scores, only rating an average of 3.1, with one-third of the respondents disagreeing that the amount of time spent on these activities is reasonable.

Almost two-thirds of the respondents feel they have the materials, supplies, tools and other resources they need to do the job. Almost three-quarters feel their concerns are resolved in an effective and timely manner and that the Program communicates effectively with them. However, only half feel their views are adequately considered when the Program develops its strategies and policies.

Information Systems. Overall, about three quarters of the respondents believe that the information systems are adequate. Downtime, which may have been confused with response time, was cited most often as a problem.

Summary Totals from Electronic Survey of School Nurses

1. Background

1.1 Training: 20 - Diploma 40 - ADN 26 - BSN 2 - MSN 0 - ARNP 18 - Other

1.2 Length of time w/ Program: 4 - Less than 1 year 29 - 1 to 3 years 73 - Over 3 years

1.3 Type of School: 57 - Elementary 34 - Middle 15 - High No. of Students: 1292 average

1.4 Status: 94 - Full Time 5 - Part Time 4 – Float 3 - Other

1.5 Number of years in School Nursing: 5 average

1.6 From your perspective, which of the topics listed below concern you the most?

	Major Problem	Some Problem	No Problem	Other
Overall caseload too high	20	53	30	3
Irregular peaks in service demand	23	63	14	6
Scheduling of student appointments	8	38	48	12
Security: _____ Please specify	10	29	55	12
Privacy/confidentiality	32	43	23	8
Clinical back-up	24	48	32	2
Adequate support from supervisor	19	71	14	2
Parental communication	29	59	16	2
Teacher/principal communication	15	46	39	6
Ease of referrals to: _____ Please specify	10	42	43	11
Emergencies	8	46	48	4
Time Management	17	52	33	4
Information technology support	15	40	45	6
Information technology training	12	51	39	4
Other: _____	11	9	14	72

1.7 Please explain major concerns: _____

1.8 How would you **allocate your time** on an average day? [Note: Time commitments include required documentation time for clinical activities.]

Major Activity	Percentage of Time Commitment
Dispensing Medications (including documentation)	14.5
Illness/Injury Treatment (including documentation)	61.8
Communicable Disease Activities	3.5
Immunization Management	2.8
Children with Special Needs	6.5
Administrative Requirements	11.7
TOTAL	100 percent

2. Employee Perceptions of Program

2.1 Please read each statement and determine your level of agreement. Circle the number which best reflects your feelings on the subject.

5 = Definitely Agree
 4 = Inclined to Agree
 3 = Undecided
 2 = Inclined to Disagree
 1 = Definitely Disagree

	Definitely Agree	Inclined to Agree	Neutral	Inclined to Disagree	Definitely Disagree	Other
1. School Health Program staff work well together as a team.	64	32	7	1	1	1
2. My students consistently have good experiences with our Program.	70	31	1	1	0	3
3. I have an easy time working with principals, teachers and office staff at my school.	50	38	6	8	2	2
4. The amount of time I spend on paper work and administration is reasonable.	10	40	19	29	7	1
5. The quality-of-service provided by our Program is the best available.	69	28	4	3	1	1
6. The staff development and preparation for this job is adequate.	39	38	16	9	1	3

2.2 What are the most **important improvements** the Program can make?

2.3 Do you have the **management support, materials, supplies, tools and other resources** you need to do your job? 67 Yes 39 No If no, what else do you need?

2.4 Are **concerns resolved** in an effective and timely manner by Program administration?
78 Yes 28 No

2.5 Do you feel your **views are adequately considered** when the Program develops its strategies and policies?
53 Yes 53 No

2.6 Does the Program **communicate** effectively with you?
79 Yes 27 No

2.8 Information Systems:

Is support adequate?	91 Yes 15 No	Is response time adequate?	80 Yes 26 No
Is training adequate?	72 Yes 34 No	Is hardware a problem?	28 Yes 78 No
Is security a problem?	22 Yes 84 No	Is downtime a problem?	49 Yes 57 No

2.9 What **other comments**, concerns or encouragement do you have?
